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## House of Representatives

The House met at 9:30 a.m.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendments bills of the House of the following titles:

H.R. 1374. An act to designate the United States Post Office building located at 680 U.S. Highway 130 in Hamilton, New Jersey, as the "John K. Rafferty Hamilton Post Office Building".

H.R. 3189. An act to designate the United States post office located at 14071 Peyton Drive in Chino Hills, California, as the "Joseph Iletto Post Office".

The message also announced that pursuant to Public Law 105-134, the Amtrak Reform and Accountability Act of 1997, the Chair announces the appointment of the following individual, appointed by the Minority Leader of the United States Senate, to the Amtrak Reform Council: James E. Coston of Illinois vice Donald R. Sweitzer of Virginia.

### MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

### THE TOTAL TAX BURDEN

Mr. STEARNS. Mr. Speaker, I would like to bring to the attention of my

colleagues the March 26 article in the Washington Post which highlights the tax cutting success of the Republicans here in Congress. The title reads, quote, "Federal Tax Levels Falls For Most," end quote.

The article highlights studies conducted by a number of tax experts which have concluded that the median two-income family pays less in Federal taxes today than it did in 1981. Now, the figures may differ a little bit from the Congressional Budget Office, the Treasury Department, or the Tax Foundation depending upon the level of the two-family income.

The percentage of Federal income taxes paid has decreased anywhere from 2 percent to 3 percent. Most notably, the Tax Foundation study shows that in 1998, a two-earner family with an income of \$68,605 paid 8.8 percent in Federal income taxes, roughly the same percentage as in 1955. The Tax Foundation credits much of the drop in the percentage paid in taxes to the enactment of the Taxpayer Relief Act of 1997. In particular, families received much of the relief through the per-child tax credit and the Hope and Lifetime Learning Education credits.

In the 106th Congress, we are going a step further by eliminating the marriage penalty tax, reducing the so-called death tax and allowing self-employed people to deduct 100 percent of their health insurance costs.

So, Mr. Speaker, we have made great strides here in Congress to reduce the Federal income tax burden on the American taxpayer, but I believe there is more to be done. Though the average American family is paying somewhat less in Federal income taxes, Mr. Speaker, the Tax Foundation report also shows that the total tax burden for the median two-earner family is 39 percent. For instance, there is the payroll tax which pays for Social Security, disability insurance and hospital portion of Medicare. These continue to in-

crease. Both the employer and the employee pay these payroll taxes with the employer passing his burden to the employee through the form of lower wages. If we combine the employer/employee share of payroll taxes, the burden is 15.3 percent, which exceeds the Federal income tax.

We also have other Federal taxes such as the estate tax, the corporate income tax, various excise taxes paid by businesses which are passed on to the American taxpayers in the form of higher consumer prices or in the reduced value of assets.

Finally, of course, there are the State and local income taxes which surprisingly represent a higher amount of the tax burden compared with just the Federal income tax. The percentage of income paid in State and local taxes is 13.1%. This amount is 4.3% more than paid in federal income taxes on median two income families.

So by adding the payroll tax, all Federal taxes, State and local taxes, the median two-earner family is paying 39 percent of its income in total taxes.

Now, in 1996 the total tax burden was 41.5 percent, so we have seen some relief due to the Republicans' initiatives. Compare the total burden today to 1955, when the two-earner family paid only 18.2 percent total taxes. That is an enormous increase over 43 years, and I believe it shows that the publicity over the reduction in the Federal income tax burden, while important, masks the magnitude of the total tax burden on Americans. We need to continue to provide relief from the estate and gift tax, reduce the capital gains taxes, encourage State and local governments to provide additional tax relief for all Americans.

We are making progress, Mr. Speaker. Let us continue to work harder here and to do more for the American people.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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